



STATE OF MICHIGAN

**Family
Independence
Agency**

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Memo

To: County Directors
Zone Managers

Date: February 24, 2003

From: Nannette M. Bowler

Subject: Performance Audit of the Food Assistance Program

On Friday, February 21st, the Office of the Auditor General released the performance audit report of the Food Assistance Program (FAP). The report covers the period of October 1, 1997 through December 31, 2001. While we have significantly lowered the misissuance rate since we peaked in FY 1998, we are not where we want or need to be. As analysis context, in approximately the last two (2) years, the FAP caseload has increased nearly 40% and we've operated under a hiring freeze with diminished resources.

To successfully address the audit findings and improve the FAP accuracy rate, we will:

- Partner with other state agencies, e.g., Department of Corrections and Michigan State Police to appropriately track and serve incarcerated recipients and convicted drug felons
- Increase the access to and use of the Michigan Assistance Referral System (MARS), the web-based program eligibility screening tool, to inform potentially eligible households of benefits
- Strengthen information technology support to allow us to target those cases with potential eligibility problems for case readings, access income data directly from other agencies (e.g., RSDI), alert staff to potential case errors, and reduce staff time spent on processing casework on the computer
- Simplify FAP policy through the options now available via the new Farm Bill provisions
- Conduct a workload study to determine the staffing resources needed to meet current program standards for cash assistance cases
- Provide enhanced on-site training and policy support for local offices via our Technical Assistance Team support
- Establish strong performance accountability standards
- Provide more local office flexibility to determine how work gets done efficiently and accurately

Within the current budget environment, we need to focus on information technology, policy and workload reduction solutions to support staff and successfully address the FAP benefit misissuance rate. Local offices, both staff and managers, will be involved in designing and reviewing these solutions. I think we are clear on what needs to be done and together we can work cooperatively within the agency and with state agency partners to achieve our goal.

cc: Executive Council